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## Congress of the United States

## U.S. House of Representatives

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January 28, 2020

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The Honorable Richard Neal Chairman, Committee on Ways and Means 1102 Longworth House Office Building

Dear Chairman Neal,

Thank you for convening this hearing on legislative proposals for paid family and medical leave.

Republicans support expanding access to paid family and medical leave, and want to work with Democrats and President Trump to find the right way to help Americans better balance work and family.

Expanding access to paid family leave allows parents to take time off to bond with their new children, improves maternal and child health outcomes, increases employee morale, and improves productivity.

<u>However</u>, the solution is not one-size-fits-all mandates from Washington like the FAMILY Act that raise taxes and permanently shrink workers' paychecks.

The true cost of a mandated federal leave program could force an average worker making \$50,000 a year to pay more than \$60,000 in higher payroll taxes over their work career, whether they use the program or not, which could be better spent on diapers, child care, or college tuition. Workers in the 21<sup>st</sup> century want flexibility at work, not a smaller paycheck for life.

Ways and Means Republicans are working on a plan that will: increase access to paid family leave; build on what is already working; and ensure families can choose what works for them. Rather than an expensive Washington mandate and smaller paychecks, we support:

- Making permanent the Paid Family and Medical Leave Tax Credit created in the Tax Cuts & Jobs Act that reimburses businesses up to 25% of the cost of providing paid leave to their employees.
- Making it easier for small businesses to offer formal paid leave benefits by increasing access to private insurance options or making it easier to pool together to defray costs.

• Low-wage workers are also at a disadvantage and the least likely to have access to paid leave through an employer. Federal efforts should be focused on low-income families, particularly families in at-risk communities where paid leave can contribute to better health for new mothers and their babies.

All families are different so let's work together on legislation that meets their needs, rather than imposing a Washington mandate. This is too important not to get right. We are grateful for your focus on this issue and look forward to continuing this discussion.

Sincerely,

Kevin Brady

Republican Leader

Committee on Ways and Means

Adrian Smith

Republican Leader

Select Revenues Subcommittee

Jacki Walvesk.

Jackie Walorski Republican Leader

Worker and Family Support Subcommittee

Tom Reed

Republican Leader

Social Security Subcommittee

CC:

The Honorable Lloyd Doggett, Chairman, Select Revenue Subcommittee

The Honorable Danny Davis, Chairman, Worker and Family Support Subcommittee

The Honorable John Larson, Chairman, Social Security Subcommittee